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CENTRAL INTELLIGENCE AGENCY

REPORT

CD NO.

COUNTRY GDR

DATE OF
INFORMATION 1954SUBJECT Political - Government, organization,
procedures

DATE DIST. / JUNE 1955

NO. OF PAGES 5

SUPPLEMENT TO
REPORT NO.

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GDR MINISTERIAL ORGANIZATION AND PLANNING PROCEDURES

information on the compilation of production plans
in the GDR foodstuffs industry, control of the work of the Ministry
of Foodstuffs, and miscellaneous organizational details concerning
government administration in general and the Ministry of Trade and
Supply

A. Compilation of Production Plans in the Foodstuffs Industry

The control figures [basic plan goals around which the rest of the plan is worked out] are issued by the State Planning Commission. The control figures are given to the Plan Inspection Office in the Ministry of Foodstuffs, which distributes them to the main administrations. The main administrations then meet with the directors of the centrally administered enterprises and the Bezirk officials responsible, and the production goals are distributed through these groups to the enterprises and to the Bezirke or Kreise (the Bezirke and Kreise are concerned only with locally administered industry). It is assumed that as the State Secretariat for Local Industry begins to function, this breakdown for local industry will be taken over by the State Secretariat.

After the working out of detailed plans, the figures are coordinated in each of the main administrations, and the detailed plans of all the main administrations are compiled by the Plan Inspection Office (broken down as production plan, manpower plan, and finance plan). The final decision on the plan as compiled from these figures is made in a meeting of the ministry staff. The draft is then returned to the State Planning Commission, which always has the last word. If the general plan as shown in the original control

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figures is generally adhered to, approval is given; any great discrepancies are disapproved. The question of raw-material supplies is settled between the State Planning Commission and the State Committee for Material Supply. (The director of the State Committee for Material Supply is, as far as the informant knows, still Blus, although he's tired of the job.) [In December 1954, the State Committee for Material Supply was incorporated into the State Planning Commission.]

The output of the foodstuffs industry always has to be coordinated with the over-all commodity-supply plan made up by the Ministry of Trade and Supply. In setting up the plan, the Kreise report their requirements to the Bezirk officials, who in turn report their needs to the ministry. Production orders are issued only after the commodity-supply plan has been accepted. Commodities are to be produced only if contracts for their purchase are concluded. (Contracts are concluded by the German Trade Centers under the Minister of Trade and Supply and by the Intra-German and Foreign Trade Enterprises under the Ministry of Intra-German and Foreign Trade. The procedure is the same for trade centers attached to other ministries. Production depends on the purchase contracts made with wholesale trade, that is, with the German Trade Centers and the Intra-German and Foreign Trade Enterprises.)

Actually, the planning runs through the whole year. To avoid stoppages in production, offices have to operate without coordination; that is, production in part must proceed by guesswork, and the quarterly quota figures, which are usually issued at the end of the quarter, are just equated to the actual production figures. By making the planned production equal the actual production, 100-percent plan fulfillment is guaranteed.

Curt Wach, Minister of Trade and Supply, as represented since the beginning of 1954 (up to May) by Grete Witkowski, director of the Association of German Consumer Cooperatives, seems to be on the way out, politically. [In August 1954, Grete Witkowski was replaced as head of the Association of German Consumer Cooperatives by Gerhard Lucht.] Wach failed completely in the commodity-supply plan in the fourth quarter of 1953. Some 14,000 tons of flour, 4,000 tons of marmalade, and the same amount of starch products, which were provided for in the commodity-supply plan and for which the basic materials were available, were not produced because there were no purchase contracts. After being sharply attacked in the Council of Ministers, Wach had a complete nervous breakdown, which was cured in the Soviet Union.

The coordination of the ministries concerned with the consumer cooperatives has been put on a new basis. The Coordination and Control Office for Domestic Trade (under Herbert Strampfer) was in the process of liquidation at the beginning of 1953. It was dissolved by the State Commission for Trade and Supply, which was directed up to July 1953 by Elli Schmidt. Strampfer became deputy chairman of the commission after the dissolution of the Coordination Office. During the June and July changes, there were arguments about Elli Schmidt, and she finally reported herself "sick" even before her official dismissal (she actually was in bad health). Strampfer took over the leadership for a short time. The commission was actually dissolved in the fall of 1953.

Now, there are a great many coordination meetings between the Ministry of Trade and Supply, the Ministry of Foodstuffs, and the Ministry of Light Industry (likewise between the Ministry of Trade and Supply, the State Secretariat for Purchase and Compulsory Delivery of Agricultural Products, and the Ministry of Agriculture and Forestry). There are also special aktivs, such as the so-called

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Vegetable Aktiv. Streit, State Secretary for the Purchase and Compulsory Delivery of Agricultural Products; Schneiderheinze, State Secretary in the Ministry of Trade and Supply (replaced in August 1954 by Gerda Bachovins); Thiele (a woman), Main Department Director of the Ministry of Foodstuffs; and a number of the Ministry of Agriculture and Forestry are represented in these meetings and active. So coordination is now effected by the ministerial offices actually concerned, rather than by higher authorities.

B. Control of the Work of the Ministry of Foodstuffs

Generally speaking, there are three control units:

1. The control department within the ministry itself (the same as in all other ministries), which is responsible for superintending the daily work and the observance of decrees and deadlines, etc. This office is strongly political.

2. The control office of the Minister President. Each ministry has its branch in the office of the Minister President. These control offices, instituted in the fall of 1953, are still being set up. They operate for the most part whenever there is any reasonable suspicion that something is wrong, particularly when there are any complaints of a basic or essential nature. So far as the informant knows, the members of the staff are very sensible people with practical experience, who come mostly from the ministries, are well trained technically, and operate on a less political basis than do the internal ministerial control departments. The staff for the foodstuffs industry, which has not been completely set up, includes the following three people:

Willi Maertel, SED (Sozialistische Einheitspartei Deutschlands, Socialist Unity [Communist] Party), 33 years old, comes from the Economic-Planning Institute. He is very good technically.

Gerhard Iva, SED, 43 years old, trained butcher, was party secretary in the ministry before Gloeckner, then spent a year at the administration academy. He is relatively harmless.

Erich Werner, about 30 years old, was a protégé of Albrecht, the previously independent State Secretary in the Ministry of Foodstuffs; before entering the control office, he directed the Material-Supply Department in the State Secretariat [sic] and the Ministry of Foodstuffs. He is quite competent.

Note: The numerous public complaints which reach Pieck, Grotewohl, Dieckmann, etc., are usually referred to the ministry, with a very short time allowance for a response (most of the complaints lie in the offices of the highest authorities for a long time before being referred to the ministry). Normally, none of the three special control units is called into action. The responsible desk chief answers the complaint. It is not certain whether the procedure is the same in all ministries.

3. The Central Commission for State Control, which intervenes in individual cases as well as in the basic work. It is doubtless often set in action from outside (the SED, etc.). An example is the 1953 investigation of the Ministry of Foodstuffs to determine whether the sales force was too large. (In the opinion of the informant, these analyses and inquiries were completely foolish, since the system replacing practically the entire wholesale trade system was not broken down enough.)

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The entire supply unit is directed by Gerda Linn, a department director in the Central Commission for State Control; she is about 40 years old, a real proletarian, blond, massive, brutal, and fanatic. Under her direction and concerned with the foodstuffs industry are Fearster, about 30 years old, from Sachsen, and Meiss, likewise about 30 years old. Both are SED members. Meiss is particularly fanatic. He was previously active in the consumer cooperative organization, was sharply criticized, and is now trying to make amends. Of the other leading personnel of the Central Commission of State Control, the informant knows only Ernst Lange, long-time deputy chairman, Lange, about 45 years old, obviously a bourgeois type, and undoubtedly intelligent, has been an agitator in the Central Commission for State Control; His motto is, "Anything is right so long as it makes for political strength."

There has been almost no intervention of the Central Committee in the work of department directors. There has been occasional intervention in the instance of complaints. The emphasis is always on supporting the people-owned enterprises; this seems to be the only concern of the Trade and Supply Department, which is poorly manned. This department has been under the management of Ernst Lange since the beginning of the New Course. Under him, Frau Gerda Patzschke is still in charge of Trade and Supply (in March 1954, at least). Gerda Patzschke is about 40 years old; she used to be easy to talk to, but has become increasingly sharper and harder. The foodstuffs-industry sector under her has been directed by Ritzke, about 26 years old, since about 1952. Under him, acting as instructor for the ministry, is Schneider, about 40 year old.

C. Organizational Details of Government Administration

1. The Coordinating and Control Office for Administrative Organs seems to be on the point of being abolished. No successor for Eggerath has been named.
2. The dispatcher [expediter] system is to be retained in production. Dispatchers were originally introduced in the administrative offices also, but the idea did not meet with approval and was dropped. The introduction of the dispatcher system was planned for 1951.
3. Changes in production plans are possible only with the approval of the Council of Ministers and in important cases only with the approval of the Presidium of the Council of Ministers.
4. The Magistrat of Greater Berlin does not automatically accept all GDR laws and decrees. Difficulties arise, particularly, when there are changes, especially reductions, in production plans. Such changes always mean a decrease in incomes, and sometimes a decrease in excises. Since the Magistrat of Greater Berlin needs money badly, it resists these changes. Hoeding is in charge of trade and supply for the East Berlin Stadtrat (City Council).
5. The administrative organs of the consumer cooperatives (that is, the entire complex of the Ministries of Agriculture and Forestry, Trade and Supply, Foodstuffs, and Light Industry, as well as the subordinate offices of the State Secretariat for Purchase and Compulsory Delivery of Agricultural Products) are troublesome to the party, the Central Commission for State Control, and the government because of their broad scope. In spring 1954, a study commission went to the USSR to observe simplification methods. The commission was very poorly organized. It included the technically incompetent Minister Wach; Nagel, director of the control office in the Ministry of Trade and Supply; and Liselotte Koenigsdorf, a saleswoman from the Alexanderplatz MO ("Free" Trade Organization) store. Results cannot be determined yet.

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D. Organization of the Ministry of Trade and Supply

The ministry was reorganized in 1953. The most important officials are the following: Curt Wach, Minister; Blumentritt, Personal Assistant to the Minister; Kalm, Legal Adviser; Anton Schneiderwinze, State Secretary (for the Purchase and Compulsory Delivery of Agricultural Products (?)); Edith Knappe, Training Department chief; Egon Nagel, director of Control Office; Mrs Henny Jacob, Commodity-Inventorying Office; and Viktoria Wetter, Budget.

The Cadre Department chief has probably been changed. The successor to Brandes (who has defected) as General Administration chief, and the director of Office for Improvement of Assortments are not known to the informant.

The main breakdown of the ministry, which has been completely changed, contains three Main Departments (sometimes designated as Main Administrations): Organization and Technology, Foodstuffs, and Light Industry.

The director of the Main Department for Organization and Technology is Herbert Strampfer, who was previously director of the Coordinating and Control Office for Domestic Trade. Under him, Eutske is head of the Department for Planning. Other members of this Main Department are Anneliese Egel (Main Desk Chief), Wilke, Mrs Hoxlemaan, Pabst, and Gruner (the last two occupy the Main Desk for Technology).

The director of the Main Administration for Foodstuffs is Herbert Duende. His deputy is Baumgartel. Watzke is in charge of meat, fats, and dairy products. Under him, the desk chief for eggs and meat is Mrs Scherzmann. Desk chief for fish is Dombrowski. The main desk chief in charge of flour, starch products, and other plant products is not known. Desk chief for flour is Mrs Meyer. Desk chiefs for tobacco products and alcoholic beverages are Reichardt and Cimbrowski.

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